Memorandum

To: Finance Committee

From: Anthony J. Mortillaro, Interim Executive Director

CC:

Date: June 10, 2011

Re: FY 2012 Compensation Plan

Background

The current salary plan was created in 2007 by Personnel Systems and Services a company that provides Human Resources and Management Consulting. The plan was subsequently adopted by the Board on October 5, 2007. The pay plan was developed through a job classification and analysis, an evaluation of internal equity, and a market survey and analysis. Since its adoption, four years have transpired and the step plan has not been adjusted nor has a market survey and analysis been conducted to ascertain the market competitiveness of the NCRTD's compensation rates. Valid compensation practices stipulate an annual review of the salary plan and adjustment based upon survey data in order for organizations to remain competitive in their recruitment and retention of employees.

The current salary plan is a step plan that has positions assigned to grades which are related to a salary range (attached). The salary ranges have an approximate 40% spread from minimum to maximum pay. The spread in each step in each grade is approximately 3%.

Since the compensation plan is a 3% step plan, each year when the Executive Director prepared the budget, the minimum salary adjustment amount if any for budget purposes that could be recommended was 3% in order to ensure the integrity of the step plan. Once the Board approved the annual salary increase adjustment, each employee would receive a performance evaluation on their anniversary date and based upon this performance review the employee would be eligible for either a 0% or 3% "productivity" increase which is synonymous with "performance" increase evidenced by average or above average performance. The current system does not allow for a performance increase differentiation for levels of performance that are "average, "above average" or "exceptional". The NCRTD's compensation plan is based upon performance and no cost-of-living increases have been awarded since its inception nor have any been recommended. The NCRTD's policies do not

provide any guidance to supervisors regarding performance evaluation or performance compensation practices. For FY 12 the Interim Executive Director recommended a 3% salary adjustment which was incorporated into the budget to be distributed upon the evaluation of the employee at their anniversary date. Based upon the evaluation the supervisor would determine if the employee merits a 3% or no increase.

In addition, the positions that are currently funded in the FY 12 budget have been placed into a Job Class Order matrix in order to document each position grade and the corresponding salary range. This matrix also classifies each position as to whether it is exempt or non-exempt. The placement of a position into exempt or non-exempt status delineates its eligibility for overtime based upon Fair Labor Standards Act exemptions. In the past the eligibility for overtime by certain positions was not clear.

Recommendation

1. Recommend to the Board the distribution of a "3%" productivity increase based upon performance;
2. Keep the step pay plan as presented for budget FY 12;
3. Recommend to the Board the Resolution adopting the FY 12 compensation plan; Section 3.8 of the Personnel Rules and Regulations require that the Pay Plan be adopted by a resolution of the Board. Since 2007 the Pay Plan has not been adopted annually by resolution.
4. Request that the Board direct staff to conduct a market survey and analysis of the data to establish appropriate compensation ranges for positions in the classification plan for FY 13;
5. Report the results of the market survey and data analysis along with any recommended modifications to the Finance Subcommittee in March 2012 and provide a recommendation from the Finance Subcommittee to the Board in April 2012;
6. Evaluate and recommend a pay for performance plan that provides for differentiation in performance compensation for management, supervisory, technical, professional and administrative positions in FY 13. Evaluate retention of the current system for driver and dispatcher classifications.

Attachments:

- FY 12 Salary Plan
- FY 12 Salary Grade and Classifications

NCRTD Compensation Plan Fiscal Year 2012
Job Class Order

Position	Grade	Minimum	Maximum	Exempt / Non Exempt
Driver	8	$25,249	$35,349	NON EXEMPT
Dispatcher	9	$27,197	$38,076	NON EXEMPT
Route Supervisor	12	$33,990	$47,586	NON EXEMPT
Financial Specialist	12	$33,990	$47,586	NON EXEMPT
Fleet Manager	12	$33,990	$47,586	EXEMPT
Operations Analyst	12	$33,990	$47,586	NON EXEMPT
Executive Assistant/ HR Specialist	13	$36,612	$51,257	NON EXEMPT
Financial Analyst	13	$36,612	$51,257	NON EXEMPT
Public Information Officer	14	$39,436	$55,211	EXEMPT
Service Development Manager	18	$54,955	$76,937	EXEMPT
Financial Manager	18	$54,955	$76,937	EXEMPT
Regional Operations Manager	18	$54,955	$76,937	EXEMPT
Transit Projects Manager	20	$66,009	$92,413	EXEMPT

Compensation Plan Fiscal Year 2012

Annual Rates

Pay Grade	Steps												Pay Grade
	Minimum/1	2	3	4	5	6	Midpoint	8	9	10	11	Maximum	
1	**$15,008**	$15,458	$15,922	$16,400	$16,892	$17,398	**$18,009**	$18,550	$19,106	$19,679	$20,270	**$21,011**	1
2	**$16,166**	$16,651	$17,150	$17,665	$18,195	$18,741	**$19,399**	$19,981	$20,580	$21,198	$21,834	**$22,632**	2
3	**$17,413**	$17,935	$18,473	$19,028	$19,598	$20,186	**$20,895**	$21,522	$22,168	$22,833	$23,518	**$24,378**	3
4	**$18,756**	$19,319	$19,898	$20,495	$21,110	$21,744	**$22,507**	$23,183	$23,878	$24,595	$25,332	**$26,259**	4
5	**$20,203**	$20,809	$21,434	$22,077	$22,739	$23,421	**$24,244**	$24,971	$25,720	$26,492	$27,287	**$28,285**	5
6	**$21,762**	$22,415	$23,087	$23,780	$24,493	$25,228	**$26,114**	$26,898	$27,705	$28,536	$29,392	**$30,467**	6
7	**$23,441**	$24,144	$24,868	$25,614	$26,383	$27,174	**$28,129**	$28,973	$29,842	$30,737	$31,659	**$32,817**	7
8	**$25,249**	$26,007	$26,787	$27,590	$28,418	$29,271	**$30,299**	$31,208	$32,144	$33,108	$34,102	**$35,349**	8
9	**$27,197**	$28,013	$28,853	$29,719	$30,610	$31,529	**$32,636**	$33,616	$34,624	$35,663	$36,733	**$38,076**	9
10	**$29,295**	$30,174	$31,079	$32,012	$32,972	$33,961	**$35,154**	$36,209	$37,295	$38,414	$39,566	**$41,013**	10
11	**$31,555**	$32,502	$33,477	$34,481	$35,516	$36,581	**$37,866**	$39,002	$40,172	$41,378	$42,619	**$44,177**	11
12	**$33,990**	$35,009	$36,060	$37,141	$38,256	$39,403	**$40,788**	$42,011	$43,272	$44,570	$45,907	**$47,586**	12
13	**$36,612**	$37,710	$38,842	$40,007	$41,207	$42,443	**$43,934**	$45,252	$46,610	$48,008	$49,448	**$51,257**	13
14	**$39,436**	$40,620	$41,838	$43,093	$44,386	$45,718	**$47,324**	$48,743	$50,206	$51,712	$53,263	**$55,211**	14
15	**$42,479**	$43,753	$45,066	$46,418	$47,810	$49,245	**$50,975**	$52,504	$54,079	$55,701	$57,372	**$59,470**	15
16	**$45,756**	$47,129	$48,543	$49,999	$51,499	$53,044	**$54,907**	$56,554	$58,251	$59,999	$61,799	**$64,058**	16
17	**$50,143**	$51,647	$53,197	$54,793	$56,437	$58,130	**$60,172**	$61,977	$63,836	$65,751	$67,724	**$70,200**	17
18	**$54,955**	$56,604	$58,302	$60,051	$61,853	$63,708	**$65,946**	$67,925	$69,963	$72,061	$74,223	**$76,937**	18
19	**$60,229**	$62,036	$63,897	$65,814	$67,789	$69,822	**$72,275**	$74,443	$76,677	$78,977	$81,346	**$84,321**	19
20	**$66,009**	$67,990	$70,029	$72,130	$74,294	$76,523	**$79,211**	$81,588	$84,035	$86,556	$89,153	**$92,413**	20
21	**$72,344**	$74,515	$76,750	$79,053	$81,424	$83,867	**$86,813**	$89,418	$92,100	$94,863	$97,709	**$101,282**	21
22	**$79,287**	$81,666	$84,116	$86,639	$89,238	$91,916	**$95,145**	$97,999	$100,939	$103,967	$107,086	**$111,002**	22
23	**$86,896**	$89,503	$92,188	$94,954	$97,803	$100,737	**$104,276**	$107,404	$110,626	$113,945	$117,363	**$121,655**	23
24	**$95,236**	$98,093	$101,036	$104,067	$107,189	$110,404	**$114,283**	$117,711	$121,243	$124,880	$128,626	**$133,330**	24
25	**$104,375**	$107,507	$110,732	$114,054	$117,475	$121,000	**$125,250**	$129,008	$132,878	$136,865	$140,970	**$146,126**	25

Compensation Plan Fiscal Year 2012

Hourly Rates

Pay Grade	Steps												Pay Grade
	Minimum/1	2	3	4	5	6	Midpoint	8	9	10	11	Maximum	
1	**$7.22**	$7.43	$7.65	$7.88	$8.12	$8.36	**$8.66**	$8.92	$9.19	$9.46	$9.75	**$10.10**	1
2	**$7.77**	$8.01	$8.25	$8.49	$8.75	$9.01	**$9.33**	$9.61	$9.89	$10.19	$10.50	**$10.88**	2
3	**$8.37**	$8.62	$8.88	$9.15	$9.42	$9.70	**$10.05**	$10.35	$10.66	$10.98	$11.31	**$11.72**	3
4	**$9.02**	$9.29	$9.57	$9.85	$10.15	$10.45	**$10.82**	$11.15	$11.48	$11.82	$12.18	**$12.62**	4
5	**$9.71**	$10.00	$10.30	$10.61	$10.93	$11.26	**$11.66**	$12.01	$12.37	$12.74	$13.12	**$13.60**	5
6	**$10.46**	$10.78	$11.10	$11.43	$11.78	$12.13	**$12.55**	$12.93	$13.32	$13.72	$14.13	**$14.65**	6
7	**$11.27**	$11.61	$11.96	$12.31	$12.68	$13.06	**$13.52**	$13.93	$14.35	$14.78	$15.22	**$15.78**	7
8	**$12.14**	$12.50	$12.88	$13.26	$13.66	$14.07	**$14.57**	$15.00	$15.45	$15.92	$16.40	**$16.99**	8
9	**$13.08**	$13.47	$13.87	$14.29	$14.72	$15.16	**$15.69**	$16.16	$16.65	$17.15	$17.66	**$18.31**	9
10	**$14.08**	$14.51	$14.94	$15.39	$15.85	$16.33	**$16.90**	$17.41	$17.93	$18.47	$19.02	**$19.72**	10
11	**$15.17**	$15.63	$16.09	$16.58	$17.07	$17.59	**$18.20**	$18.75	$19.31	$19.89	$20.49	**$21.24**	11
12	**$16.34**	$16.83	$17.34	$17.86	$18.39	$18.94	**$19.61**	$20.20	$20.80	$21.43	$22.07	**$22.88**	12
13	**$17.60**	$18.13	$18.67	$19.23	$19.81	$20.41	**$21.12**	$21.76	$22.41	$23.08	$23.77	**$24.64**	13
14	**$18.96**	$19.53	$20.11	$20.72	$21.34	$21.98	**$22.75**	$23.43	$24.14	$24.86	$25.61	**$26.54**	14
15	**$20.42**	$21.04	$21.67	$22.32	$22.99	$23.68	**$24.51**	$25.24	$26.00	$26.78	$27.58	**$28.59**	15
16	**$22.00**	$22.66	$23.34	$24.04	$24.76	$25.50	**$26.40**	$27.19	$28.01	$28.85	$29.71	**$30.80**	16
17	**$24.11**	$24.83	$25.58	$26.34	$27.13	$27.95	**$28.93**	$29.80	$30.69	$31.61	$32.56	**$33.75**	17
18	**$26.42**	$27.21	$28.03	$28.87	$29.74	$30.63	**$31.70**	$32.66	$33.64	$34.64	$35.68	**$36.99**	18
19	**$28.96**	$29.83	$30.72	$31.64	$32.59	$33.57	**$34.75**	$35.79	$36.86	$37.97	$39.11	**$40.54**	19
20	**$31.74**	$32.69	$33.67	$34.68	$35.72	$36.79	**$38.08**	$39.22	$40.40	$41.61	$42.86	**$44.43**	20
21	**$34.78**	$35.82	$36.90	$38.01	$39.15	$40.32	**$41.74**	$42.99	$44.28	$45.61	$46.98	**$48.69**	21
22	**$38.12**	$39.26	$40.44	$41.65	$42.90	$44.19	**$45.74**	$47.11	$48.53	$49.98	$51.48	**$53.37**	22
23	**$41.78**	$43.03	$44.32	$45.65	$47.02	$48.43	**$50.13**	$51.64	$53.19	$54.78	$56.42	**$58.49**	23
24	**$45.79**	$47.16	$48.57	$50.03	$51.53	$53.08	**$54.94**	$56.59	$58.29	$60.04	$61.84	**$64.10**	24
25	**$50.18**	$51.69	$53.24	$54.83	$56.48	$58.17	**$60.22**	$62.02	$63.88	$65.80	$67.77	**$70.25**	25